

Enforcement Order of the Act on Securitization of Assets (Cabinet Order No. 479 of November 17, 2000)

(Cabinet Order No. 479 of 2000)

Pursuant to the provisions of the Act on Securitization of Assets (Act No. 105 of 1998) and in order to enforce that Act, the Cabinet enacts this Cabinet Order entirely amending the Enforcement Order of the Act on Securitization of Specified Assets by Specified Purpose Companies (Cabinet Order No. 279 of 1998).

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Chapter I General Provisions

(Definitions)

Article 1 The terms "Specified Assets", "Specified Purpose Company", "Preferred Equity", "Specified Corporate Bonds", "Specific Purpose Trust", and "Fiduciary Trust Company, etc." as used in this Order mean Specified Assets, Specified Purpose Company, Preferred Equity, Specified Corporate Bonds, Specific Purpose Trust, and Fiduciary Trust Company, etc. as defined in Article 2 of the Act on Securitization of Assets (hereinafter referred to as the "Act"), respectively.

Chapter II Specified Purpose Company System

(Employees Specified by Cabinet Order to Be Stated in Business Commencement Notifications)

Article 2 The employee specified by Cabinet Order as referred to in Article 4, paragraph (2), item (iii) of the Act (including the cases where applied mutatis mutandis pursuant to Article 11, paragraph (5) of the Act) and Article 70, paragraph (1), item (vi) of the Act (including the cases where applied mutatis mutandis pursuant to Article 72, paragraph (2) and Article 167, paragraph (7) of the Act) is to be the person who supervises the business of a business office and any other person specified by Cabinet Office Order as a person equivalent thereto.

(Plan Periods of Asset Securitization Plan)

Article 3 The categories of Specified Assets specified by Cabinet Order as referred to in Article 5, paragraph (2) of the Act are the categories set forth in the following items, and the periods specified by Cabinet Order as referred to in that paragraph are the periods specified in the same items according to those categories:

- (i) the following Specified Assets: 20 years:
 - (a) movables (excluding securities); and

(b) a beneficial interest in a trust in which only those set forth in (a) are entrusted;

(ii) the following Specified Assets: 25 years:

(a) patent rights, utility model rights, design rights, trademark rights, layout-design exploitation rights or breeder's rights (including rights to use those rights); and

(b) a beneficial interest in a trust in which only those set forth in (a) are entrusted, or a beneficial interest in a trust in which only those set forth in (a) and those set forth in (a) of the preceding item are entrusted;

(iii) Specified Assets other than the Specified Assets set forth in the preceding two items: 50 years.

Article 4 Deleted

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions to Enforce Liability of Incorporators)

Article 5 In cases where the provisions of the Companies Act (Act No. 86 of 2005) are applied mutatis mutandis pursuant to the provisions of Article 25, paragraph (4) of the Act to an action to enforce the liability of an incorporator, a Director at Incorporation or a Company Auditor at Incorporation, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Administrators of Specified Equity Member Registries of Specified Purpose Companies)

Article 6 In cases where the provisions of Article 123 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 28, paragraph (3) of the Act to the Administrator of a Specified Equity Member Registry of a Specified Purpose Company, the term "shareholder registry" in Article 123 of the Companies Act is replaced with "Specified Equity Member registry".

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Specified Equity of Specified Purpose Companies)

Article 7 In cases where the provisions of Article 134 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 30, paragraph (2) of the Act to Specified Equity of a Specified Purpose Company, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Designated Purchasers)

Article 8 (1) In cases where the provisions of Article 142, paragraphs (1) and (2) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 31, paragraph (1) of the Act to a Designated Purchaser, the technical

replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(2) In cases where the provisions of Article 144, paragraph (5) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 31, paragraph (8) of the Act to the notice to be given under the provisions of Article 142, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 31, paragraph (8) of the Act, the term "number" in Article 144, paragraph (5) of the Companies Act is replaced with "number of units".

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Registered Pledges of Specified Equity Pertaining to Specified Equity of Specified Purpose Companies)

Article 9 In cases where the provisions of Article 154, paragraph (2) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 32, paragraph (6) of the Act to a Registered Pledgee of Specified Equity pertaining to Specified Equity of a Specified Purpose Company, the term "the preceding paragraph" in Article 154, paragraph (2) of the Companies Act is replaced with "Article 32, paragraph (5) of the Asset Securitization Act".

(Replacement of Terms of the Provisions of the Act as Applied Mutatis Mutandis to Cases of Placing Specified Equity in Trust)

Article 10 (1) In cases where the provisions of Article 32 of the Act are applied mutatis mutandis pursuant to the provisions of Article 33, paragraph (3) of the Act to cases of placing Specified Equity in trust under the provisions of Article 33, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 32 of the Act (including the provisions of the Companies Act as applied mutatis mutandis pursuant to the relevant provisions of the Act) is as in the following table:

(2) In cases where the provisions of Article 133 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 33, paragraph (3) of the Act to cases of placing Specified Equity in trust under the provisions of Article 33, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 133 of the Companies Act is as in the following table:

(Consent for the Provision of Matters to Be Stated in Documents by Electronic or Magnetic Means)

Article 11 (1) A person who intends to provide the matters prescribed in the provisions as follows by electronic or magnetic means (meaning electronic or magnetic means as prescribed in Article 40, paragraph (3) of the Act; the same applies hereinafter) (such person is referred to as the "Provider" in the following paragraph) must, pursuant to the provisions of Cabinet Office Order, indicate in advance the type and details of the electronic or magnetic means to be used to the other party to whom the matters are provided, and obtain consent therefrom in writing or by electronic or magnetic means:

(i) Article 203, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 36, paragraph (5) of the Act;

(ii) Article 40, paragraph (3) of the Act;

(iii) Article 40, paragraph (9) of the Act (including the cases where applied mutatis mutandis pursuant to Article 122, paragraph (10) and Article 286, paragraph (4) of the Act);

(iv) Article 310, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 65, paragraph (1) of the Act;

(v) Article 312, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 65, paragraph (2) of the Act;

(vi) Article 122, paragraph (3) of the Act;

(vii) Article 721, paragraph (4) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act;

(viii) Article 725, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act;

(ix) Article 727, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act;

(x) Article 739, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act;

(xi) Article 555, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 180, paragraph (4) of the Act;

(xii) Article 557, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 180, paragraph (4) of the Act;

(xiii) Article 116, paragraph (1) of the Trust Act (Act No. 108 of 2006) as applied mutatis mutandis pursuant to Article 245, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 253 of the Act); and

(xiv) Article 114, paragraph (3) of the Trust Act as applied mutatis mutandis pursuant to Article 249, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 253 of the Act).

(2) When the other party set forth in the preceding paragraph states in writing or by electronic or magnetic means to the effect that the relevant other party will not receive the provision of the matters by electronic or magnetic means, the Provider who has previously obtained consent under the provisions of the preceding paragraph must not provide such matters to such other party by electronic or magnetic means; provided, however, that this does not apply if the relevant other party gives consent again under the provisions of that paragraph.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Specified Equity for Subscription of Specified Purpose Companies)

Article 12 In cases where the provisions of Article 202, paragraph (1), item (i) and Article 204, paragraph (2) of the Companies Act are applied mutatis mutandis

pursuant to the provisions of Article 36, paragraph (5) of the Act to Specified Equity for Subscription of a Specified Purpose Company set forth in Article 36, paragraph (1) of the Act, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions Seeking Payments against Persons Who Have Subscribed for Specified Equity with Unfair Amounts to Be Paid in)

Article 13 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 36, paragraph (10) of the Act to an action seeking payment under the provisions of Article 212, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 36, paragraph (5) of the Act, an action to enforce the liability of the directors, etc. prescribed in Article 213, paragraph (1) of the Companies Act under the provisions of that paragraph as applied mutatis mutandis pursuant to Article 36, paragraph (5) of the Act, an action seeking payment or delivery under the provisions of Article 213-2, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 36, paragraph (5) of the Act, and an action to enforce the liability of the directors, etc. prescribed in Article 213-3, paragraph (1) of the Companies Act under the provisions of that paragraph as applied mutatis mutandis pursuant to Article 36, paragraph (5) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Consolidation of Specified Equity of Specified Purpose Companies)

Article 14 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 38 of the Act to the consolidation of Specified Equity of a Specified Purpose Company, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Rights Requiring Real Property Appraisal to Be Included in Notifications to Persons Who Intend to File Applications to Subscribe for Preferred Equity for Subscription)

Article 15 (1) What is specified by Cabinet Order as referred to in Article 40, paragraph (1), item (viii), (a) of the Act is as follows:

- (i) the right of lease or superficies right of land or a building, or other right to use or make profits from land or a building (excluding the ownership);
- (ii) a beneficial interest in a trust in which only land or a building, or any of the rights set forth in the preceding item is entrusted (limited to a single beneficial interest).

(2) The real property appraiser specified by Cabinet Order as referred to in Article 40, paragraph (1), item (viii), (a) of the Act is any real property appraiser other than those set forth as follows:

(i) an Officer (meaning the officer prescribed in Article 68, paragraph (1) of the Act; in cases where the officer is a juridical person, one of its members; hereinafter the same applies in the following paragraph) or employee of the Specified Purpose Company;

(ii) a person who may not carry out the business concerning real property appraisal under the provisions of Article 40, paragraph (1), item (viii), (a) of the Act, pursuant to the provisions of the Act on Real Property Appraisal (Act No. 152 of 1963).

(3) The person other than the Specified Purpose Company who is specified by Cabinet Order as referred to in Article 40, paragraph (1), item (viii), (b) of the Act is any of the following persons:

(i) an attorney at law, legal professional corporation or attorney/registered foreign lawyer joint corporation, other than those set forth as follows:

(a) in the case of an attorney at law, the following persons:

1. an Officer or employee of the Specified Purpose Company;
2. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Attorney Act (Act No. 205 of 1949);

(b) in the case of a legal professional corporation or attorney/registered foreign lawyer joint corporation, the following persons:

1. a person who has any of the persons set forth in (a), 1. as a member; or
2. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Attorney Act or the Act on the Handling of Legal Services by Foreign Lawyers (Act No. 66 of 1986);

(ii) a certified public accountant (including a foreign certified public accountant as prescribed in Article 16-2, paragraph (5) of the Certified Public Accountant Act (Act No. 103 of 1948); hereinafter the same applies in this item) or an auditing firm, other than those set forth as follows:

(a) in the case of a certified public accountant, the following persons:

1. an Officer or employee of the Specified Purpose Company;
2. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Certified Public Accountant Act;

(b) in the case of an auditing firm, the following persons:

1. an accounting advisor of the Specified Purpose Company;
2. a person who has any of the persons set forth in (a), 1. as a member; or

3. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Certified Public Accountant Act;

(iii) a patent attorney or **patent attorney corporation**, other than any of those set forth as follows (limited to cases where Specified Assets are patent rights, utility model rights, design rights, trademark rights, layout-design exploitation rights or breeder's rights (including rights to use those rights), technical secrets (meaning a production method and any other technical information useful for business activities, which is kept secret and is not publicly known) or copyrights, or a beneficial interest in a trust in which only those rights, etc. are entrusted):

(a) in the case of a patent attorney, the following persons:

1. an Officer or employee of the Specified Purpose Company; or
2. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Patent Attorney Act (Act No. 49 of 2000);

(b) in the case of a patent attorney corporation, the following persons:

1. a person who has any of the persons set forth in (a), 1. or 2. as a member; or
2. a person who may not carry out the business pertaining to the investigation under the provisions of Article 40, paragraph (1), item (viii), (b) of the Act, pursuant to the provisions of the Patent Attorney Act;

(iv) beyond what is set forth in the preceding three items, persons specified by Cabinet Office Order as those having the expert knowledge for the assessment of Specified Assets.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions Seeking Payments against Persons Who Have Subscribed for Preferred Equity with Unfair Amounts to Be Paid in)

Article 15-2 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 42, paragraph (8) of the Act to an action seeking payment under the provisions of Article 212, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 42, paragraph (5) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Pledge of Preferred Equity of Specified Purpose Companies)

Article 15-3 In cases where the provisions of Article 154, paragraphs (1) and (2) (limited to the portion pertaining to item (i)) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 45, paragraph (4) of the Act to a pledge of Preferred Equity of a Specified Purpose Company, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Consolidation of Preferred Equity of Specified Purpose Companies)

Article 16 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 50, paragraph (1) of the Act to the consolidation of the Preferred Equity of a Specified Purpose Company, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Cancellation and Consolidation of Preferred Equity of Specified Purpose Companies)

Article 17 In cases where the provisions of Article 235, paragraph (1) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 50, paragraph (3) of the Act to the cancellation and consolidation of the Preferred Equity of a Specified Purpose Company, the term "number [of shares] equivalent to" in Article 235, paragraph (1) of the Companies Act is replaced with "number of units [of shares] equivalent to".

(Consent for Notice by Electronic or Magnetic Means)

Article 18 (1) A person who intends to send a notice by electronic or magnetic means pursuant to the provisions set forth as follows (such person is referred to as the "Sender of the Notice in the following paragraph) must, pursuant to the provisions of Cabinet Office Order, indicate in advance the type and details of the electronic or magnetic means to be used to the other party to whom the notice is sent, and obtain consent therefrom in writing or by electronic or magnetic means:

(i) Article 55, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 56, paragraph (3) of the Act);

(ii) Article 720, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act;

(iii) Article 132, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 140, paragraph (2) and Article 151, paragraph (5) of the Act);

(iv) Article 549, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 180, paragraph (4) of the Act (including the cases where Article 549, paragraph (2) of the Companies Act is applied mutatis mutandis pursuant to Article 549, paragraph (4) of the Companies Act as applied mutatis mutandis pursuant to Article 180, paragraph (4) of the Act);

(v) Article 242, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 253 of the Act); and

(vi) Article 109, paragraph (2) of the Trust Act as applied mutatis mutandis pursuant to Article 252, paragraph (2) of the Act.

(2) When the other party set forth in the preceding paragraph states in writing or by electronic or magnetic means to the effect that the relevant other party will not receive a notice sent by electronic or magnetic means, the Sender of the Notice who has previously obtained consent under the provisions of the preceding paragraph must not send such notice to such other party by electronic or magnetic means; provided, however, that this does not apply if the relevant other party gives consent again under the provisions of that paragraph.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases Where Petitions Have Been Filed for the Appointment of Inspectors Concerning Calling Procedures of General Meetings of Members)

Article 19 In cases where the provisions of Article 307, paragraph (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 58, paragraph (2) of the Act to cases where a petition set forth in Article 58, paragraph (1) of the Act has been filed, the term "directors (or the directors and company auditors for a Company with Auditors)" in Article 307, paragraph (3) of the Companies Act is replaced with "directors and company auditors".

Articles 20 through 23 Deleted

(Sum of the Total Issuance Amount of Specified Corporate Bonds Which Is Not Required to Have Accounting Auditors, and the Total Amount of Specific Borrowings)

Article 24 The amount specified by Cabinet Order as referred to in Article 67, paragraph (1) of the Act is 20 billion yen.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Inspector in Cases Where Petitions Have Been Filed for the Appointment of Inspector of Execution of Business, and to Cases Where the Report Thereof Has Been Made)

Article 25 In cases where the provisions of Article 359, paragraph (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 81, paragraph (2) of the Act to the inspector in cases where a petition set forth in Article 81, paragraph (1) of the Act has been filed and to cases where the report thereof has been made, the term "directors (or the directors and company auditors of a Company with Auditors)" in Article 359, paragraph (3) of the Companies Act is replaced with "directors and company auditors".

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Directors of a Specified Purpose Company)

Article 26 In cases where the provisions of Article 357, paragraph (1) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 85 of the Act to directors of a Specified Purpose Company, the term "shareholders (or, for a Company with Auditors, the company auditors)" in Article 357, paragraph (1) of the Companies Act is replaced with "company auditors".

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Companies with Accounting Advisors)

Article 27 In cases where the provisions of Article 375, paragraph (1) and Article 378, paragraph (1), item (i) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 86, paragraph (2) of the Act to a company with accounting advisors, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions to Enforce Liability in Specified Purpose Companies)

Article 28 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 97, paragraph (2) of the Act to an action to enforce the liability in a Specified Purpose Company, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms of the Provisions of the Act Applied Mutatis Mutandis to Cases of Reducing the Amount of Preferred Capital)

Article 29 (1) In cases where the provisions of Article 64, paragraph (2) of the Act are applied mutatis mutandis pursuant to the provisions of Article 110, paragraph (4) of the Act to cases of reducing the Amount of Preferred Capital under the provisions of Article 110, paragraph (1) of the Act, the term "resolution set forth in the preceding paragraph" in Article 64, paragraph (2) of the Act is replaced with "decision set forth in the preceding paragraph".

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions Seeking the Invalidation of the Reduction of the Amount of Specified Capital or the Amount of Preferred Capital)

Article 30 In cases where the provisions of Article 836, paragraph (1) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 112 of the Act to an action seeking the invalidation of the reduction of the Amount of Specified Capital or the Amount of Preferred Capital, the term "shareholder or a Shareholder at Incorporation" in Article 836, paragraph (1) of the Companies Act is replaced with "member".

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Liability of Directors)

Article 31 (1) In cases where the provisions of Article 463, paragraph (1) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 119, paragraph (1) of the Act to members of a Specified Purpose Company, the term "the Monies, etc." in that paragraph is replaced with "the amount of Cash Dividend or the amount of Cash Distribution".

(2) In cases where the provisions of Article 464 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 119, paragraph (1) of the Act to the liability of the directors of a Specified Purpose Company who has

responded to the demand made under the provisions of Article 182-4, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 38 of the Act, the liability of the directors of a Specified Purpose Company who has responded to the demand made under the provisions of Article 182-4, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 50, paragraph (1) of the Act, and the liability of the directors of a Specified Purpose Company who has responded to the demand made under the provisions of Article 153, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 464 of the Companies Act is as in the following table:

(3) In cases where the provisions of Article 465, paragraph (2) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 119, paragraph (1) of the Act to the liability of the directors of a Specified Purpose Company under Article 118 of the Act, the term "all shareholders" in Article 465, paragraph (2) of the Companies Act is replaced with "all members".

(4) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 119, paragraph (2) of the Act to an action to enforce the liability of the directors of a Specified Purpose Company as prescribed in Article 117 of the Act under the provisions of that Article and an action to enforce the liability of the directors of a Specified Purpose Company under the provisions of Article 118 of the Act and the provisions of Article 464 of the Companies Act as applied mutatis mutandis pursuant to Article 119, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Actions Demanding the Return of Benefits)

Article 32 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 120, paragraph (6) of the Act to an action demanding the return of benefits under Article 120, paragraph (3) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Rights Requiring Real Property Appraisal to Be Included in Notification to Persons Who Intend to File Applications to Subscribe for Specified Corporate Bonds for Subscription)

Article 33 (1) What is specified by Cabinet Order as referred to in Article 122, paragraph (1), item (xviii), (a) of the Act is what is set forth in each of the items of Article 15, paragraph (1).

(2) The real property appraiser specified by Cabinet Order as referred to in Article 122, paragraph (1), item (xviii), (a) of the Act is any real property appraiser other than those set forth in each of the items of Article 15, paragraph (2).

(3) The person other than the Specified Purpose Company who is specified by Cabinet Order as referred to in Article 122, paragraph (1), item (xviii), (b) of the Act is any of the following persons:

(i) the persons set forth in each of the items of Article 15, paragraph (3);

(ii) the specified corporate bond administrator prescribed in Article 126 of the Act related to the specified corporate bonds or the assistant specified bond administrator prescribed in Article 127-2, paragraph (1) of the Act;

(iii) the trust company defined in Article 1 of the Secured Corporate Bonds Trust Act (Act No. 52 of 1905) (limited to cases where real security is furnished for the Specified Corporate Bonds).

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Specified Corporate Bond Administrators)

Article 34 In cases where the provisions of Article 868, paragraph (4) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 127, paragraph (8) of the Act to the Specified Corporate Bond Administrator, in Article 868, paragraph (4) of the Companies Act, the term "Article 705 and paragraph (4), Article 706, paragraph (4), Article 707" is replaced with "Article 707 as applied mutatis mutandis pursuant to Article 127, paragraph (8) of the Asset Securitization Act", and the term "Article 714, paragraphs (1) and (3)(including the cases where these provisions are applied mutatis mutandis pursuant to Article 714-7), Article 718, paragraph (3), Article 732, Article 740, paragraph (1) and Article 741, paragraph (1)" is replaced with "Article 714, paragraphs (1) and (3)".

(Application Mutatis Mutandis of Companies Act to Assistant Specified Bond Administrator)

Article 34-2 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to Article 127-2, paragraph (2) of the Act to an assistant specified bond administrator, the technical replacement of terms related to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Specified Corporate Bonds in Cases Where Specified Purpose Companies Issue Specified Corporate Bonds)

Article 35 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 129, paragraph (2) of the Act to Specified Corporate Bonds, etc. in cases where a Specified Purpose Company issues Specified Corporate Bonds, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Application of Laws and Regulations Concerning Specified Corporate Bonds)

Article 36 The laws and regulations specified by Cabinet Order as referred to in Article 130 of the Act are the Secured Corporate Bonds Act (excluding Article 23) and the Enforcement Order of the Secured Corporate Bonds Act (Cabinet Order No. 51 of 2002), and with regard to the application of those laws and regulations

concerning specified corporate bonds, specified corporate bondholders, specified corporate bond certificates, specified corporate bond administrators, assistant specified bond administrators, specified corporate bond registries, specified corporate bondholders meetings, and representative specified corporate bondholders are deemed to be bonds, bondholders, bond certificates, bond managers, bond administration assistant, bond registries, bondholders' meetings, and representative bondholders provided in Part IV of the Companies Act respectively. In this case, the terms set forth in the middle column of the following table which are the terms used in the provisions of the laws and regulations set forth in the left-hand column of that table are replaced with the terms provided in the right-hand column of that table.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Convertible Specified Corporate Bonds)

Article 37 (1) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 138, paragraph (1) of the Act to convertible Specified Corporate Bonds of a Specified Purpose Company, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(2) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 138, paragraph (2) of the Act to an action seeking payment under the provisions of Article 212, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 138, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Specified Corporate Bonds with Rights to Subscribe for Preferred Equity)

Article 38 (1) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 147, paragraph (1) of the Act to Specified Corporate Bonds with rights to subscribe for Preferred Equity, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(2) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 147, paragraph (2) of the Act to an action seeking payment under the provisions of Article 212, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 147, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Demand for Purchase of Preferred Equity Made by Preferred Equity Members)

Article 39 In cases where the provisions of Article 117, paragraphs (5) and (7) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 153, paragraph (4) of the Act to the Demand for Purchase of Preferred Equity made by a Preferred Equity Member of a Specified Purpose Company, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Resolutions of Approval Adopted at Specified Corporate Bond Holders Meetings)

Article 40 In cases where the provisions of Article 62 of the Act are applied mutatis mutandis pursuant to the provisions of Article 154, paragraph (6) of the Act to the resolution of approval adopted at the Specified Corporate Bond holders meeting set forth in Article 154, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 62 of the Act is as in the following table:

(Electronic or Magnetic Means for Notice to Creditors Pertaining to Specific Borrowing)

Article 41 (1) In cases where a Specified Purpose Company gives notice as set forth in Article 157, paragraph (1) of the Act by means of electronic data processing systems or other information and communications technology as prescribed in Article 132, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 157, paragraph (2) of the Act, the company must, pursuant to the provisions of Cabinet Office Order, indicate in advance the type and details of the electronic or magnetic means to be used to the relevant creditors pertaining to the Specific Borrowing, and obtain consent therefrom in writing or by electronic or magnetic means.

(2) When the creditors pertaining to the Specific Borrowing states in writing or by electronic or magnetic means to the effect that the creditors will not receive the notice given by electronic or magnetic means, the Specified Purpose Company which has previously obtained consent under the provisions of the preceding paragraph must not give notice as prescribed in Article 157, paragraph (1) of the Act to such creditors pertaining to the Specific Borrowing by electronic or magnetic means; provided, however, that this does not apply if the creditors pertaining to the Specific Borrowing gives consent again under the provisions of that paragraph.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Dissolution Orders for a Specified Purpose Companies)

Article 42 In cases where the provisions of Article 824 and Article 825 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 163 of the Act to the dissolution order for a Specified Purpose Company and the preservation of the properties of a Specified Purpose Company, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to the Liquidation of Specified Purpose Companies)

Article 43 (1) In cases where the provisions of the Act, etc. are applied mutatis mutandis pursuant to the provisions of Article 170, paragraph (3) of the Act to the liquidator of a Specified Purpose Company in Liquidation, the technical replacement of terms pertaining to the provisions of the Act, etc. is as in the following table:

(2) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 174, paragraph (3) of the Act to an action to enforce the liability of a liquidator in a Specified Purpose Company in Liquidation as prescribed in Article 97, paragraph (2) of the Act, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(3) In cases where the provisions of Article 495, paragraphs (1) and (2) and Article 498 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 177, paragraph (3) of the Act to the balance sheet and administrative report set forth in Article 177, paragraph (1) of the Act as well as the annexed detailed statements thereof, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(4) In cases where the provisions of Article 505 and Article 506 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 178, paragraph (4) of the Act to a Specified Purpose Company in Liquidation, the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(5) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 179, paragraph (1) of the Act to the liquidation of a Specified Purpose Company, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Special Liquidation of Specified Purpose Companies in Liquidation)

Article 44 In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 180, paragraph (4) of the Act to the special liquidation of a Specified Purpose Company in Liquidation, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

Article 45 Deleted

(Employees Subject to Restrictions)

Article 46 The person specified by Cabinet Order as referred to in Article 198 of the Act is the person who supervises the business of a business office and any other person specified by Cabinet Office Order as a person equivalent thereto.

(Replacement of Terms in the Provisions of the Financial Instruments and Exchange Act as Applied Mutatis Mutandis to Specified Purpose Companies Making Public Offerings of Asset Backed Securities and to Specified Transferors Handling the Public Offerings of Asset Backed Securities)

Article 47 (1) In cases where the provisions of the Financial Instruments and Exchange Act (Act No. 25 of 1948) are applied mutatis mutandis pursuant to the provisions of Article 209, paragraph (1) of the Act to a Specified Purpose Company making a Public Offering, etc. of Asset Backed Securities and to a specified transferor handling the Public Offering, etc. of Asset Backed Securities, the technical replacement of terms pertaining to the provisions of the Financial Instruments and Exchange Act is as in the following table:

(2) In cases where the provisions of the Act are applied mutatis mutandis pursuant to the provisions of Article 209, paragraph (2) of the Act to a specified transferor handling the Public Offering, etc. of Asset Backed Securities, the technical replacement of terms pertaining to the provisions of the Act is as in the following table:

(Important Matters That May Have Impacts on Customers' Judgments)

Article 47-2 (1) The matters specified by Cabinet Order as referred to in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act are as follows:

(i) the matters concerning fees, remuneration or any other consideration payable by the customer with regard to a contract for a Public Offering, etc. of Asset Backed Securities or contract for the handling of such Public Offering, etc., which are specified by Cabinet Office Order; and

(ii) in cases where there is any risk that a loss would be incurred with regard to a customer's transaction pertaining to the Public Offering, etc. of Asset Backed Securities or transaction pertaining to the handling of such Public Offering, etc. due to fluctuations in the interest rate, value of currencies, quotations on the Financial Instruments Market defined in Article 2, paragraph (xiv) of the Financial Instruments and Exchange Act, and other indicators, the following matters:

(a) the relevant indicator; and

(b) the fact that there is any risk that a loss would be incurred due to fluctuations in the relevant indicator, and the reasons therefor; and

(iii) matters specified by Cabinet Office Order as those equivalent to the matters set forth in the preceding two items.

(2) Notwithstanding the provisions of the preceding paragraph, the matters specified by Cabinet Order as referred to in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act in cases where the acts prescribed in Article 37, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act are to be carried out by way of broadcasting, using the broadcast equipment of a Basic Broadcaster (meaning the Basic Broadcaster defined in Article 2, item (xxiii) of the Broadcast Act (Act No. 132 of 1950) and excluding the Japan Broadcasting Corporation and the Open University of Japan (meaning the Open University of Japan defined in Article 3 of the Act on the Open University of Japan (Act No. 156 of 2002)); the same applies in Article 72-2, paragraph (2)) or by any other means specified by Cabinet Office Order as being equivalent thereto, are as follows:

(i) in cases where there is any risk that a loss would be incurred with regard to the customer's transaction pertaining to the Public Offering, etc. of Asset Backed Securities or transaction pertaining to the handling of such Public Offering, etc. due to fluctuations in the interest rate, value of currencies, quotations on the Financial Instruments Market, and other indicators, the fact of such risk; and

(ii) matters specified by Cabinet Office Order as being equivalent to the matters set forth in the preceding item.

(Application Mutatis Mutandis of the Enforcement Order of the Financial Instruments and Exchange Act Pertaining to the Provision of Matters by Means of Information and Communications Technology to Public Offering of Asset Backed Securities)

Article 48 The provisions of Article 15-22 of the Enforcement Order of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965) apply mutatis mutandis to cases where the provisions of Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act are applied mutatis mutandis pursuant to Article 37-3, paragraph (2) and Article 37-4, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 286, paragraph (1) of the Act).

Chapter III Specific Purpose Trust System

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Trust Properties of Specific Purpose Trusts)

Article 49 (1) In cases where the provisions of Article 212 (excluding paragraph (4)) of the Act are applied mutatis mutandis pursuant to the provisions of Article 224 of the Act to the assets which a Trust Company, etc. (meaning the Trust Company, etc. prescribed in Article 33, paragraph (1) of the Act) serving as the trustee of a Specific Purpose Trust acquires from the Originator as the trust property of the Specific Purpose Trust, the technical replacement of terms

pertaining to the provisions of Article 212 (excluding paragraph (4)) of the Act is as in the following table:

(2) In cases where the provisions of Article 212 (excluding paragraph (4)) of the Act are applied mutatis mutandis pursuant to the provisions of Article 224 of the Act to the assets acquired or possessed by a Fiduciary Trust Company, etc. as the trust property of the Specific Purpose Trust, the technical replacement of terms pertaining to the provisions of Article 212 (excluding paragraph (4)) of the Act is as in the following table:

(Periods of Specific Purpose Trust Agreements)

Article 50 The provisions of Article 3 apply mutatis mutandis to the categories of Specified Assets specified by Cabinet Order and the periods specified by Cabinet Order, as referred to in Article 226, paragraph (2) of the Act.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Notification of Changes to Asset Trust Securitization Plan)

Article 51 In cases where the provisions of Article 9, paragraphs (2) and (3) of the Act are applied mutatis mutandis pursuant to the provisions of Article 227, paragraph (2) of the Act to the Notification of Change made under the provisions of Article 227, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 9, paragraphs (2) and (3) of the Act is as in the following table:

(Conditions to Be Imposed on Specific Purpose Trust Agreements for Providing for Bond-Type Beneficial Interests)

Article 52 (1) The method specified by Cabinet Order as referred to in Article 230, paragraph (1), item (ii) of the Act is the method of calculation based on interest rates in the financial market.

(2) The conditions specified by Cabinet Order as referred to in Article 230, paragraph (1), item (ii) of the Act are as follows:

(i) with regard to a Bond-Type Beneficial Interest (meaning the Bond-Type Beneficial Interest prescribed in Article 230, paragraph (1), item (ii) of the Act; hereinafter, the same applies in this paragraph), the time when a distribution is to be made from the profit to be gained through the administration or disposition of the trust property as well as the amount of distribution for each time of making a distribution must be specified in advance;

(ii) the distribution set forth in the preceding item must be made every month, every three months, every six months or every year;

(iii) the amount of principal of the Bond-Type Beneficial Interest must not be changed unless the principal is redeemed;

(iv) the Fiduciary Trust Company, etc. must not borrow any funds or bear any costs for distributing money pertaining to a Bond-Type Beneficial Interest; and

(v) in cases where it is impossible to make the distribution set forth in item (i) or the redemption set forth in item (iii), the Specific Purpose Trust must be terminated.

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Beneficiary Certificate Holders)

Article 53 (1) In cases where the provisions of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 236, paragraph (2) of the Act to Beneficiary Certificate holders, the term "the Ministry of Justice Order" in the Trust Act is replaced with "Cabinet Office Order", and the terms set forth in the middle column of the following table which are used in the provisions of that Act set forth in the left-hand column of that table are replaced with the terms set forth in the right-hand column of that table:

(2) In cases where the provisions of Article 124, paragraph (4) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 236, paragraph (2) of the Act to Beneficiary Certificate holders, in Article 124, paragraph (4) of the Companies Act, the term "stock company" is replaced with "Fiduciary Trust Company, etc.", and the term "shares" is replaced with "beneficial interests in the Specific Purpose Trust".

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Beneficial Interests in Specific Purpose Trusts)

Article 54 In cases where the provisions of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 239, paragraph (1) of the Act to beneficial interests in a Specific Purpose Trust, the technical replacement of terms pertaining to the provisions of the Trust Act is as in the following table:

Article 55 Deleted

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to the Methods of Resolutions at Beneficiary Certificate Holders Meetings)

Article 56 In cases where the provisions of Article 62 of the Act are applied mutatis mutandis pursuant to the provisions of Article 243, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 253 of the Act) to the method for the resolution at a Beneficiary Certificate holders meeting or the method for the resolution at a Class Beneficiary Certificate holders meeting, the technical replacement of terms pertaining to the provisions of Article 62 of the Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Exercise of Voting Rights in Writing)

Article 57 In cases where the provisions of Article 311, paragraphs (3) through (5) and Article 312, paragraphs (4) through (6) of the Companies Act are applied mutatis mutandis pursuant to Article 245, paragraph (2) of the Act (including as applied mutatis mutandis pursuant to Article 253 of the Act) to the exercise of voting rights in writing provided in Article 245, paragraph (1) of the Act (including

as mutatis mutandis pursuant to Article 253 of the Act), the technical replacement of terms pertaining to the relevant provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Persons Specified by Resolutions at Beneficiary Certificate Holders Meetings)

Article 58 In cases where the provisions of Article 708 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 246, paragraph (2) of the Act to the person specified by a resolution at a Beneficiary Certificate holders meeting as set forth in Article 246, paragraph (2) of the Act, the term "bondholder" in Article 708 of the Companies Act is replaced with "Beneficiary Certificate holders".

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Beneficiary Certificate Holders Meetings)

Article 59 (1) In cases where the provisions of Article 731, paragraph (2) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 249, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 253 of the Act) to a beneficiary certificate holders meeting or a class beneficiary certificate holders meeting, the term "head office" in that paragraph is deemed to be replaced with "head office (in the case where the fiduciary trust company, etc. is a financial institution stated in Article 2, items (iii) through (xv) of the Order for Enforcement of the Act on Engagement in Trust Business by Financial Institutions (Cabinet Order No. 31 of 1993), its principal office; the same applies in Article 735-2, paragraph (2))".

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Class Beneficiary Certificate Holders Meetings)

Article 60 In cases where the provisions of Article 109, paragraph (3) of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 252, paragraph (2) of the Act to a Class Beneficiary Certificate holders meeting, the term "items of the preceding Article" in Article 109, paragraph (3) of the Trust Act is replaced with "items of the preceding Article as applied mutatis mutandis pursuant to Article 242, paragraph (5) of the Asset Securitization Act".

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Class Beneficiary Certificate Holders Meetings)

Article 61 In cases where the provisions of Article 242, paragraph (5) and Article 243, paragraph (1) the Act are applied mutatis mutandis pursuant to Article 253 of the Act to a class beneficiary certificate holders meeting, the technical replacement of terms relating to the these provisions is as in the following table:

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Resignation of Representative Beneficiary Certificate Holders)

Article 61-2 In cases where the provisions of Article 262 (excluding paragraph (5)) of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 257, paragraph (2) of the Act to the resignation of a Representative Beneficiary Certificate holder, the technical replacement of terms pertaining to the relevant provisions of the Trust Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Representative Beneficiary Certificate Holders)

Article 62 (1) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 259, paragraph (1) of the Act to a Representative Beneficiary Certificate holder, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(2) In cases where the provisions of Article 738 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 259, paragraph (1) of the Act to the dismissal of a Representative Beneficiary Certificate holder, the term "bondholders' meeting" in Article 738 of the Companies Act is replaced with "Beneficiary Certificate holders meeting".

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Specified Trust Administrators)

Article 63 (1) In cases where the provisions of Article 44 and Article 85, paragraph (4) of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 260, paragraph (5) of the Act to a Specified Trust Administrator, the technical replacement of terms pertaining to the relevant provisions of the Trust Act is as in the following table:

(2) In cases where the provisions of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 260, paragraph (5) of the Act to a Specified Trust Administrator, the technical replacement of terms pertaining to the provisions of the Companies Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Financial Statements)

Article 64 In cases where the provisions of Article 442, paragraph (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 264, paragraph (5) of the Act to the materials set forth in Article 264, paragraph (1) of the Act, in Article 442, paragraph (3) of the Companies Act, the term "shareholders" is replaced with "Beneficiary Certificate holders", and the term "stock company" is replaced with "Fiduciary Trust Company, etc."

(Incorporation of Profits into Specified Assets)

Article 65 In cases where any profits gained through the administration or disposition of Specified Assets are incorporated into Specified Assets pursuant to the provisions of Article 266 of the Act, taxes and other public charges imposed on such profits are to be excluded.

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Giving of Benefits on the Exercise of Rights of Beneficiary Certificate Holders)

Article 66 In cases where the provisions of Article 120, paragraphs (2) and (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 268, paragraph (3) of the Act to the giving of benefits on the exercise of the rights of Beneficiary Certificate holders, in the relevant provisions of the Companies Act, the term "Stock Company gives" is replaced with "Fiduciary Trust Company, etc. gives", the term "Stock Company has given" is replaced with "Fiduciary Trust Company, etc. has given", and the term "Stock Company or its Subsidiary" is replaced with "Fiduciary Trust Company, etc."

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Dissenting Beneficiary Certificate Holders' Demand for Purchase)

Article 67 In cases where the provisions of the Trust Act are applied mutatis mutandis pursuant to Article 271, paragraph (5) of the Act to a demand for the purchase of beneficial interests as provided in paragraph (1) of that Article, the technical replacement of terms pertaining to the provisions of the Trust Act is as in the following table:

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Class Beneficiary Certificate Holders Meetings in Which Resolutions of Consent for Changes to Specific Purpose Trust Agreements Are Adopted)

Article 68 In cases where the provisions of Article 269, paragraphs (3) and (4) of the Act and Article 271 of the Act (including the provisions of the Trust Act as applied mutatis mutandis pursuant to paragraph (5) of that Article) are applied mutatis mutandis pursuant to the provisions of Article 272, paragraph (2) of the Act to the Class Beneficiary Certificate holders meeting in which the resolution of consent set forth in Article 272, paragraph (1) of the Act is adopted, the technical replacement of terms pertaining to the provisions of Article 269, paragraphs (3) and (4) of the Act and Article 271 of the Act (including the provisions of the Trust Act as applied mutatis mutandis pursuant to paragraph (4) of that Article) is as in the following table:

(Replacement of Terms in the Provisions of the Trust Act as Applied Mutatis Mutandis to Dismissal of Fiduciary Trust Companies etc.)

Article 68-2 In cases where the provisions of Article 262 (excluding paragraph (5)) of the Trust Act are applied mutatis mutandis pursuant to the provisions of Article 274, paragraph (5) of the Act to cases of dismissing the Fiduciary Trust Company, etc. under the provisions of Article 274, paragraph (2) of the Act (including the cases where applied pursuant to paragraph (3) of that Article), the technical replacement of terms pertaining to the relevant provisions of the Trust Act is as in the following table:

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to Documents Prepared by Former Fiduciary Trust Companies, etc.)

Article 69 In cases where the provisions of Article 442, paragraph (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 275, paragraph (5) of the Act to the inventory of assets and balance sheet set forth in Article 275, paragraph (1) of the Act, the term "stock company" in Article 442, paragraph (3) of the Companies Act is replaced with "Fiduciary Trust Company, etc."

(Replacement of Terms in the Provisions of the Companies Act as Applied Mutatis Mutandis to the Time of Termination of Specific Purpose Trust Agreements)

Article 70 In cases where the provisions of Article 442, paragraph (3) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 279, paragraph (3) of the Act to the case set forth in Article 279, paragraph (1) of the Act, the term "stock company" in Article 442, paragraph (3) of the Companies Act is replaced with "Fiduciary Trust Company, etc."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Entrustment of Businesses)

Article 71 In cases where the provisions of Article 200, paragraph (3) and Article 202 of the Act are applied mutatis mutandis pursuant to the provisions of Article 284, paragraph (3) of the Act to the entrustment set forth in Article 284, paragraph (1) of the Act, the technical replacement of terms pertaining to the provisions of Article 200, paragraph (3) and Article 202 of the Act is as in the following table:

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Public Offerings of Beneficiary Certificates by Originators)

Article 72 (1) In cases where the provisions of Article 209, paragraph (1) of the Act (including the provisions of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to that paragraph) are applied mutatis mutandis pursuant to the provisions of Article 268, paragraph (1) of the Act to the Public Offering, etc. of Beneficiary Certificates by the Originator, the technical replacement of terms pertaining to the provisions of Article 209, paragraph (1) of the Act (including the provisions of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to that paragraph) is as in the following table:

(2) In cases where the provisions of Article 209, paragraph (2) of the Act (including the provisions of the Act as applied mutatis mutandis pursuant to that paragraph) are applied mutatis mutandis pursuant to the provisions of Article 286, paragraph (1) of the Act to the Public Offering, etc. of Beneficiary Certificates by the Originator, the technical replacement of terms pertaining to the provisions of

Article 209, paragraph (2) of the Act (including the provisions of the Act as applied mutatis mutandis pursuant to that paragraph) is as in the following table:

(Important Matters That May Have Impacts on Customers' Judgments)

Article 72-2 (1) The matters specified by Cabinet Order as referred to in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to the provisions of Article 209, paragraph (1) of the Act which are applied mutatis mutandis pursuant to Article 286, paragraph (1) of the Act to the Public Offering, etc. of Beneficiary Certificates by the Originator are as follows:

(i) the matters concerning fees, remuneration or any other consideration payable by the customer with regard to the contract for a Public Offering, etc. of Beneficiary Certificates by the Originator, which are specified by Cabinet Office Order; and

(ii) in cases where there is any risk that a loss would be incurred with regard to the customer's transaction pertaining to the Public Offering, etc. of Beneficiary Certificates due to fluctuations in the interest rate, value of currencies, quotations on the Financial Instruments Market defined in Article 2, paragraph (xiv) of the Financial Instruments and Exchange Act, and other indicators, the following matters:

(a) the relevant indicator; and

(b) the fact that there is any risk that a loss would be incurred due to fluctuations in the relevant indicator, and the reasons therefor; and

(iii) matters specified by Cabinet Office Order as those equivalent to the matters set forth in the preceding two items.

(2) Notwithstanding the provisions of the preceding paragraph, the matters specified by Cabinet Order as referred to in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act in cases where the acts prescribed in Article 37, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to the provisions of Article 209, paragraph (1) of the Act which are applied mutatis mutandis pursuant to the provisions of Article 286, paragraph (1) of the Act to the Public Offering, etc. of Beneficiary Certificates by the Originator are to be carried out by way of broadcasting, using the broadcast equipment of a Basic Broadcaster or any other means specified by Cabinet Office Order as being equivalent thereto, are as follows:

(i) in cases where there is any risk that a loss would be incurred with regard to the customer's transaction pertaining to the Public Offering, etc. of Beneficiary Certificates due to fluctuations in the interest rate, value of currencies, quotations on the Financial Instruments Market, and other indicators, the fact of such risk; and

(ii) matters specified by Cabinet Office Order as being equivalent to the matters set forth in the preceding item.

(Special Provisions on the Ship Registration Order)

Article 73 (1) With regard to the application of the provisions of Article 97, paragraph (1) of the Real Property Registration Act (Act No. 23 of 2004) as applied mutatis mutandis pursuant to Article 35, paragraphs (1) and (2) of the Ship Registration Order (Cabinet Order No. 11 of 2005) to a Specific Purpose Trust, the term "a trust administrator" in Article 97, paragraph (1), item (iii) of the Real Property Registration Act is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(2) With regard to the application of the provisions of Article 68, paragraph (1) of the Mining Registration Order (Cabinet Order No. 15 of 1951) (including the cases where applied mutatis mutandis pursuant to Article 21 of the Order on Registration Related to Specified Mining Rights (Cabinet Order No. 382 of 1978)) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(3) With regard to the application of the provisions of Article 51, paragraph (1) of the Fishery Registration Act (Cabinet Order No. 292 of 1951) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(4) With regard to the application of the provisions of Article 97, paragraph (1) of the Real Property Registration Act as applied mutatis mutandis pursuant to Article 16, paragraph (1) of the Construction Machine Registration Order (Cabinet Order No. 305 of 1954) to a Specific Purpose Trust, the term "a trust administrator" in Article 97, paragraph (1), item (iii) of the Real Property Registration Act is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(5) With regard to the application of the provisions of Article 58, paragraph (1) of the Patent Registration Order (Cabinet Order No. 39 of 1960) (including the cases where applied mutatis mutandis pursuant to Article 7 of the Utility Model Registration Order (Cabinet Order No. 40 of 1960), Article 7 of the Design Registration Order (Cabinet Order No. 41 of 1960), and Article 10 of the Trademark Registration Order (Cabinet Order No. 42 of 1960)) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(6) With regard to the application of the provisions of Article 36, paragraph (1) of the Copyright Registration Order (Cabinet Order No. 335 of 1970) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(7) With regard to the application of the provisions of Article 55, paragraph (1) of the Cabinet Order on Registration of Layout-Design Exploitation Rights (Cabinet Order No. 326 of 1985) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(8) With regard to the application of the provisions of Article 61, paragraph (1) of the Automobile Registration Order (Cabinet Order No. 256 of 1951) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(9) With regard to the application of the provisions of Article 49, paragraph (1) of the Aircraft Registration Order (Cabinet Order No. 296 of 1953) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(10) With regard to the application of the provisions of Article 11, paragraph (2) of the Enforcement Order of the Act on Promotion of Global Warming Countermeasures (Cabinet Order No. 143 of 1999) to a Specific Purpose Trust, the term "a trust administrator" in item (v) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(11) With regard to the application of the provisions of Article 97, paragraph (1) of the Real Property Registration Act as applied mutatis mutandis pursuant to Article 18 of the Order on Registration of Mortgage on Agricultural Movables (Cabinet Order No. 25 of 2005) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(12) With regard to the application of the provisions of Article 48, paragraph (1) of the Order on Registration of Right to Operate Public Facility, etc. (Cabinet Order No. 356 of 2011) to a Specific Purpose Trust, the term "a trust administrator" in item (iii) of that paragraph is replaced with "a Representative Beneficiary Certificate holder or a Specified Trust Administrator".

(13) With regard to the application of Article 48, paragraph (1) of the **Cabinet Order on Registration of Timber Right** (Cabinet Order No. 148 of 1989) to a specific purpose trust, the term "trust administrator" in item (iii) of that paragraph is replaced with "representative interest holder or specified trust administrator".

(14) With regard to the application of Article 49, paragraph (1) of the **Cabinet Order on Registration of Rights to Operate Fishing Port Surface Facilities** (Cabinet Order No. 328 of 2023) to a specific purpose trust, the term "trust administrator" in item (iii) of that paragraph is replaced with "representative interest holder or specified trust administrator".

Chapter IV Miscellaneous Provisions

(Details of Delegation of Authority of Inspections for Securing Fairness in Transactions to the Securities and Exchange Surveillance Commission)

Article 74 (1) The provisions specified by Cabinet Order as referred to in Article 290, paragraph (2), item (i) of the Act are the provisions of Article 37, Article 37-3, paragraphs (1) and (2), Article 37-4, Articles 38 to 40 (with regard to Article 40, item (ii), limited to those for securing fairness in the transactions pertaining to the Public Offering, etc. of Asset Backed Securities or the handling of such Public Offering, etc.), and Article 44-3, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act.

(2) The provisions specified by Cabinet Order as referred to in Article 290, paragraph (2), item (ii) of the Act are the provisions of Article 37, Article 37-3, paragraphs (1) and (2), Article 37-4, Articles 38 to 40 (with regard to Article 40, item (ii), limited to those for securing fairness in the transactions pertaining to the Public Offering, etc. of Asset Backed Securities or the handling of such Public Offering, etc.), and Article 44-3, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 209, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 286, paragraph (1) of the Act.

(Delegation of Authority of Inspections Other Than the Inspection for Securing Fairness in Transactions to the Securities and Exchange Surveillance Commission)

Article 75 Within the scope of the authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 290, paragraph (1) of the Act (excluding that delegated to the Securities and Exchange Surveillance Commission (hereinafter referred to as the "Commission") pursuant to the provisions of paragraph (2) of that Article), the authority under the provisions of Article 217, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 209, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 286, paragraph (2) of the Act)) is delegated to the Commission; provided, however that this does not preclude the Commissioner of the Financial Services Agency from personally exercising the authority to order a report or submission of materials under those provisions, or authority for inspection in cases where it is found to be an urgent necessity with regard to the public interest or protection of investors or where it is found to make a special contribution to the effective and efficient implementation of the inspection.

(Delegation of Authority to the Director-General of Local Finance Bureaus)

Article 76 (1) The authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 290, paragraph (1) of the Act (excluding the authority under the provisions of Article 214 and Article 232 of the

Act; referred to as the "Commissioner's Authority" in paragraph (4)) is delegated to the Director-General of a Local Finance Bureau who has jurisdiction over the location of the head office, principal office or domicile (hereinafter referred to as the "Head Office, etc.") of the Specified Purpose Company, Fiduciary Trust Company, etc., specified transferor (meaning the specified transferor prescribed in Article 208, paragraph (1) of the Act; the same applies hereinafter) or the Originator (meaning the Originator prescribed in Article 224 of the Act; the same applies hereinafter) (in cases where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commissioner of the Financial Services Agency from personally exercising the authority under Article 217, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 209, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 286, paragraph (2) of the Act), and excluding that delegated to the Commission pursuant to the provisions of Article 290, paragraph (2) of the Act and the provisions of the preceding Article; the same applies in the following paragraph).

(2) The collection of reports or materials or the on-site inspection or questioning under the provisions of Article 217, paragraph (1) of the Act (hereinafter referred to as an "Inspection, etc."), which is related to a business office, office or a facility other than the Head Office, etc. (including an agency; hereinafter referred to as a "Branch Office, etc.") of a Specified Purpose Company, specified transferor or Originator, may be carried out by the Director-General of a Local Finance Bureau who has jurisdiction over the location of the Branch Office, etc. (in cases where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), in addition to the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.

(3) When finding it necessary to carry out an Inspection, etc. of the Head Office, etc. or Branch Offices, etc. other than the Branch Office, etc. of the Specified Purpose Company, specified transferor or Originator, the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who has carried out an Inspection, etc. of a Branch Office, etc. of a Specified Purpose Company, specified transferor or Originator pursuant to the provisions of the preceding paragraph may carry out an Inspection, etc. of the Head Office, etc. or Branch Offices, etc. other than the Branch Office, etc.

(4) The provisions of the preceding three paragraphs do not apply to the authority within the scope of the Commissioner's Authority which is designated by the Commissioner of the Financial Services Agency.

(5) If the Commissioner of the Financial Services Agency has made the designation under the preceding paragraph, the commissioner is to give public notice to that effect. The same applies if the commissioner has abolished or changed such designation.

(Delegation of the Commission's Authority to the Director-General of Local Finance Bureau)

Article 77 (1) Within the scope of the authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 290, paragraph (1) of the Act, the following authority is delegated to the Director-General of the Local Finance Bureau who has jurisdiction over the location of the Head Office, etc. of the Specified Purpose Company, specified transferor or Originator (in cases where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commission from exercising such authority by itself:

(i) the authority set forth in the items of Article 290, paragraph (2) of the Act which has been delegated to the Commission pursuant to the provisions of that paragraph; and

(ii) the authority under the provisions of Article 217, paragraph (1) of the Act (including the cases where applied *mutatis mutandis* pursuant to Article 209, paragraph (2) of the Act (including the cases where applied *mutatis mutandis* pursuant to Article 286, paragraph (1) of the Act)) which has been delegated to the Commission pursuant to the provisions of Article 75.

(2) The authority of the Commission set forth in the items of the preceding paragraph, which is related to a Branch Office, etc. of a Specified Purpose Company, specified transferor or Originator, may be exercised by the Director-General of a Local Finance Bureau who has jurisdiction over the location of the Branch Office, etc. (in cases where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), in addition to the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.

(3) When finding it necessary to carry out an Inspection, etc. of the Head Office, etc. or Branch Offices, etc. other than the Branch Office, etc. of the Specified Purpose Company, specified transferor or Originator, the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who has carried out an Inspection, etc. of a Branch Office, etc. of a Specified Purpose Company, specified transferor or Originator pursuant to the provisions of the preceding paragraph may carry out an Inspection, etc. of the Head Office, etc. or Branch Offices, etc. other than the Branch Office, etc.

(4) The provisions of paragraph (1) do not apply to the authority of the Commission set forth in the items of that paragraph pertaining to the person designated by the Commission. In this case, with regard to the application of the provisions of paragraph (2), the term "the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph" prescribed in that paragraph is replaced with "the Commission".

(5) If the Commission has made the designation under the preceding paragraph, it is to give public notice to that effect. The same applies if it has rescinded such designation.